

COLEMAN & HOROWITT

SPRING 2020 NEWSLETTER

PROVIDING COVID-19 UPDATES FOR BUSINESSES

COVID-19 is affecting everyone. Although we too are heeding and living with the shelter-in-place orders from the Governor and local governments, our lawyers are working daily, available to answer your questions and available to help you with your legal needs. We also understand the need for our

clients to get the most up-to-date information possible on how to protect your company from the effects of COVID-19. To that end, we are providing our clients with Alerts by e-mail as events arise. To find the most recent Alerts and articles, go to www.ch-law.com and review our COVID-19 Alerts.

COLEMAN & HOROWITT, LLP WELCOMES BOWMAN & ASSOCIATES AND STEPHANIE DUNN

Coleman & Horowitz, LLP is growing again. Bowman & Associates, an established Bakersfield family law, transactions, probate and estate planning law firm, have become part of Coleman & Horowitz, LLP with an office at 2032 17th St., Bakersfield, CA 93301.



Stacy H. Bowman, principal of Bowman & Associates, is a partner and managing attorney of the Bakersfield office. She will be joined by her staff, Lisa Gojich (legal assistant and office manager), Keli Capilla (legal assistant) and Amy Lota

(legal assistant). Ms. Bowman, a CPA and graduate of Southwestern Law School and Georgetown University, will continue to represent clients in family law matters, probate and trust litigation, estate planning and business transactions and litigation. She is also a member of the Kern County Bar Association (Probate and Family Law Sections); Kern County Women Lawyer's Association and the AICPA.

Daniel L. Rudnick, Senior Counsel who previously worked part time with Coleman & Horowitz, works of the Bakersfield office on a full-time basis.

Mr. Rudnick represents clients in real estate and business transactions as well as litigation involving business, banking, construction, and real estate disputes, unfair competition and intellectual property disputes.



Mr. Rudnick is a graduate of California Western School of Law and California Polytechnic University, San Luis Obispo.

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STACY H. BOWMAN
 WILLIAM H. COLEMAN
 MICHAEL P. DOWLING
 STEPHANIE L. DUNN
 SHERRIE M. FLYNN
 DARRYL J. HOROWITT
 C. FREDRICK MEINE III
 ELIOT S. NAHIGIAN
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 LEE N. SMITH
 KELSEY A. SEIB
 GARY S. SHUSTER
 CRAIG A. TRISTAO
 DAVID J. WEILAND
 LAWRENCE E. WESTERLUND
 KEITH M. WHITE

499 WEST SHAW AVE, STE. 116
 FRESNO, CA 93704
 PH: (559) 248-4820

2330 W. MAIN STREET
 VISALIA, CA 93291
 PH: (559) 248-4820

22902 TWAIN HARTE DR, STE. D
 TWAIN HARTE, CA 95383
 PH: (209) 323-7676

4695 MACARTHUR CT, SUITE 1100
 NEWPORT BEACH, CA 92660
 PH: (949) 798-5500

2032 17TH STREET
 BAKERSFIELD, CA 93301
 PH: (661) 325-1300

1880 CENTURY PARK E, STE. 404
 LOS ANGELES, CA 90067
 PH: (310) 286-0233

Ms. Bowman can be reached at sbowman@ch-law.com and Mr. Rudnick can be reached at drudnick@ch-law.com. Both can be reached at (661) 325-1300.

Stephanie L. Dunn has also joined the firm as an associate attorney, where she works in the transactions department in the firm's Fresno office. Ms. Dunn represents clients in business and personal transactions including entity formation (partnerships, limited partnerships, LLC's and corporations), business transactions (purchase agreements, secured and unsecured notes, real estate transactions, leases, intellectual property license agreements, etc.), estate planning, wills, trusts, and probate.

Ms. Dunn is a graduate of Oklahoma State University (before obtaining a



Master's of Art History from University of Oregon). She received her law degree from Pepperdine University, where she earned a Certificate in Entertainment, Media and Sports Law and served as the Managing editor of the National Association of Administrative Law Judiciary.

Ms. Dunn can be reached at sdunn@ch-law.com or (559) 248-4820. Please join us in welcoming these new additions.

CHANGES TO EMPLOYMENT AND CONSUMER ARBITRATION

By Gregory J. Norys

The California Legislature was busy in 2019 working to limit arbitrations. AB 51 received the most attention as it limits an employer's ability to require that employees agree to arbitrate certain disputes as a condition to their employment. Specifically, AB 51 prohibits an employer from mandating that employees agree to arbitrate discrimination, wage and hour or harassment claims. It also prohibits an employer from retaliating against an employee who refuses to sign an agreement that requires arbitration for such claims. What was not so widely reported was SB 707. SB 707 will amend Code of Civil Procedure "1280 and 1281.96", and add "1281.97, 1281.98 and 1281.99," and provides, in short, that if fees and

costs for a consumer or employment arbitration are not timely paid by the party that drafted the arbitration agreement (i.e., within 30 days of the due date), the drafting party was in default of the arbitration agreement and the non-drafting party was no longer required to arbitrate the dispute. The change made by SB 707 is important because employers who have an otherwise valid arbitration provision signed by an employee may still lose the right to compel arbitration if they don't timely pay fees to the arbitration tribunal and the other party objects. This change will also apply to consumer arbitration provisions in all kinds of

agreements including credit card agreements, consumer finance purchase agreements and retail installment sales contracts used to finance vehicle purchases.

If you are an employer, or company that sells or provides financing to consumers, it is important to review your arbitration agreements to make sure (1) they are substantively and procedurally fair (i.e., require both parties to arbitrate, with the employers/seller paying the initial arbitration fees and costs); and (2) all necessary fees and costs are timely paid to the arbitration tribunal.

Coleman & Horowitz, LLP regularly represents employers and finance companies in the arbitration of disputes. If you have any questions regarding the

above, please contact us at info@ch-law.com or (559) 248-4820/(800) 891-8362.

This article was written by Gregory J. Norys. Mr. Norys is a partner of Coleman & Horowitz, LLP and manages the firm's Visalia and Newport Beach offices. He represents clients in commercial, construction, real estate, professional liability defense, tort defense, as well as municipal law, real estate transactions, and land use matters. He served as Deputy City Attorney for the City of Sanger and is a member of the Fresno County and Tulare County Bar Associations as well as the Association of Business Trial Lawyers. He is also co-chair of the Fresno County Bar Association, Construction Law Forum.

RECENT DEVELOPMENTS

C. Fredrick ("Fred") Meine, III obtained the dismissal of a long running dispute by way of sanctions motion. In the action, our client purchased a deed of trust secured by a pistachio orchard. The borrower was in default under the note owned by our client as well as other bank-held notes secured by the orchard. After our client and the bank initiated foreclosure, the debtor used the bankruptcy and state courts to try and thwart the foreclosure. The bank was ultimately able to proceed with the foreclosure sale and our client became the owner of the property after foreclosing on the debtor's interest. The debtor's principal, however, persisted with suits in state and federal court. One by one, those lawsuits were dismissed with one remaining in Kern County that was set to proceed to trial. Prior to trial, however, Fred brought a motion for sanctions under California Code of Civil Procedure Section 128.5. Although such dismissals are rarely granted, the court in this instance agreed that the principal's lawsuit

was frivolous and brought in bad faith and dismissed the lawsuit. More importantly, the court awarded sanction in form of attorney's fees incurred by our client in obtaining the dismissal, thus preserving our client's right to recover attorney's fees.

Russell W. Reynolds and Kelsey A. Seib obtained a favorable result in bankruptcy court. In the matter, our client was pursuing a fraudulent transfer action in state court and obtained a writ of attachment against one of the defendants, who thereafter filed for bankruptcy protection. Our client sought relief from the automatic stay in order to perfect the writ of attachment lien and continue to pursue the action in state court. The debtor and the unsecured creditors objected, claiming that the writ of attachment should not survive as a lien in the bankruptcy court. The bankruptcy court agreed with our client and allowed the lien to remain.

NEW OFFICE IN NEWPORT BEACH, CALIFORNIA & CHANGE OF ADDRESS FOR SONORA OFFICE

Coleman & Horowitz has, for many years, had a conference office in Sacramento to allow us to serve clients in that area. The need for that office is no longer present, but the need to serve clients in Southern California remains.

To that end, we have now opened a new office in Newport Beach to service our clients in Orange and San Diego Counties. The office,

managed by Gregory Norys, is located at 4695 MacArthur Court, Suite 1100 Newport Beach, CA 92660. The phone number is (949) 798-5500 and fax number is (949) 798-5501.

We also relocated our Sonora office to 22902 Twain Harte Drive, Suite D, Twain Harte, CA 95383. Phone (209) 323-7676 remains the same. Matthew R. Nutting remains the attorney managing the office.

ESTABLISHED IN 1994, COLEMAN & HOROWITT IS A STATE-WIDE LAW FIRM FOCUSED ON DELIVERING RESPONSIVE AND VALUE DRIVEN SERVICE AND PREVENTIVE LAW. THE FIRM REPRESENTS BUSINESSES AND THEIR OWNERS IN MATTERS INVOLVING TRANSACTIONS, LITIGATION, AGRICULTURE & ENVIRONMENTAL REGULATION AND LITIGATION, INTELLECTUAL PROPERTY, REAL ESTATE AND ESTATE PLANNING AND PROBATE.

THIS NEWSLETTER IS INTENDED TO PROVIDE THE READER WITH GENERAL INFORMATION REGARDING CURRENT LEGAL ISSUES. IT IS NOT TO BE CONSTRUED AS SPECIFIC LEGAL ADVICE OR AS A SUBSTITUTE FOR THE NEED TO SEEK COMPETENT LEGAL ADVICE ON SPECIFIC LEGAL MATTERS. THIS PUBLICATION IS NOT MEANT TO SERVE AS A SOLICITATION OF BUSINESS. TO THE EXTENT THAT THIS MAY BE CONSIDERED ADVERTISING, THEN IT IS HEREWITH IDENTIFIED AS SUCH.



499 WEST SHAW AVE., STE. #116
FRESNO, CA 93704

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THANK YOU!

WE RECOGNIZE THAT NO BUSINESS CAN GROW
WITHOUT REFERRALS. WE VALUE THE CONFIDENCE
YOU HAVE PLACED IN US WITH YOUR BUSINESS
AND REFERRALS. WE HOPE YOU WILL CONTINUE
TO HONOR US WITH FUTURE REFERRALS.